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January 24, 2011

VIA FEDERAL EXPRESS

Public Service Commission Attn: Jeff DeRouen 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 ACCEVED JAN 25 2011

PUBLIC SERVICE COMMISSION

Petition for Confidential Protection RE:

Dear Mr. DeRouen:

Enclosed is an original and eleven copies of the above referenced Petition for Confidential Protection. We have also enclosed a self-addressed and postage paid return envelope for you to return a file stamped copy of the Petition for Confidential Protection to me for our files.

Please contact me if you have any questions.

Sincerely yours,

·alxander Counsel for Navitas Assets, LLC

KWA/sdd **Enclosures**

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RECEVED

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

JAN 25 2011 PUBLIC SERVICE COMMISSION

In the Matter of:)	
THE JOINT APPLICATION OF NAVITAS KY NG, LLC AND GASCO DISTRIBUTION SYSTEMS, INC. FOR APPROVAL OF AN ACQUISITION OF OWNERSHIP AND CONTROL OF GAS UTILITY SYSTEMS)) Case No. 2010-00468))	

PETITION FOR CONFIDENTIAL PROTECTION

COMES NOW, Joint Applicants Navitas KY NG, LLC ("Navitas"), by and through counsel, and Gasco Distribution Systems, Inc. ("Gasco"), through its duly authorized officer, ("Joint Applicants"), petition the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001 Section 7 to grant confidential protection to certain information relating to the Applicants' Joint Responses to Staff's First Request for Information filed herein on January 24, 2011.

In support of this petition, Applicants state as follows:

- 1. On January 24, 2011, the Joint Applicants filed Responses to Staff's First Request for Information (hereinafter the "Responses") pursuant to and subsequent to their filing of a Joint Application with the Commission seeking an Order from the Commission for approval of the acquisition of ownership and control of a certain gas utility system from Gasco to Navitas in Albany, Clinton County, Kentucky.
- 2. Certain attachments provided along with the Responses contain confidential commercial and proprietary information. The Joint Applicants request that a Joint Defense and Confidentiality Agreement be entered into to protect the confidentiality of this information. This information is not publicly disseminated, and public disclosure of the information would harm the

Joint Applicants.¹ Further, in the event that the Commission does not approve the transaction, or in the event that the transaction otherwise does not close, Navitas and Gasco would suffer harm if this information were made public and therefore accessible to other potential purchasers, as it would lessen competition in a subsequent bidding process and allow other potential purchasers to bid down the price of Gasco. Further, neither Gasco nor Navitas is a publicly traded company, and would suffer harm if this non-public, confidential and proprietary commercial information were made public. Therefore, all parties to the proposed acquisition would suffer harm if this information were made public and the transaction fails to close, as competition in any subsequent bidding process would be lessened.

- 4. Under KRS 61.878(1)(c), commercial information, generally recognized as confidential, is protected if disclosure would cause competitive injury and permit competitors an unfair commercial advantage. Public disclosure of this information may cause competitive injury to each of the Joint Applicants and cause a lessening of competition in a subsequent bidding process in the event the Commission denies the Joint Application or the proposed acquisition otherwise fails to close.
- 5. The attachments to the Joint Responses which contain confidential information are:
 - Exhibits 1, 2 and 3 of the Responses to the Data Requests we are requesting they be kept confidential because the Navitas companies are not publicly held and as such their financial information is not available to the public.
 - Schedule 2(a) Natural Gas Transmission Pipeline and Stations Description; and Schedules 2(b), 2(b)-2, 2(b)-3, 2(c) which contain easement information. These schedules provide detailed information on the gas system and should be protected due to Homeland Security.

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¹ With respect to Gasco, certain financial and contractual information has been disclosed in filings with the Bankruptcy Court in connection with the bankruptcy schedules and pleadings obtaining approval to the sale of the utility distribution systems. However this information has not been widely disseminated in Kentucky,. Further, in the context of the auction sale of Gasco's property, certain information was only made available to bidders who executed a confidentiality agreement.

- Schedule 2(f) is assumed contract information. This includes specific contract information including cure amounts and deposit amounts. This should be kept confidential because this information is not publicly available and Navitas KY NG, LLC is not a publicly held company.
- Schedule 6(a)(1) Calculation of Post-Closing Adjustment Åmount. This includes the amount of unrecovered gas cost and should be kept confidential because Navitas KY NG, LLC is not a publicly held company.
- Schedule 9(j) Tax Issues This schedule includes tax and franchise liabilities that are not publicly available, thus should be confidential.
- Schedule 9(p) Customer deposits. This includes customer specific information, not publicly available and should be held confidential.
- Schedule 9(q) Accounts Receivable. This is not publicly available financial information and should be kept confidential.
- Schedule 9(t) Insurance. This is not publicly available financial information and should be kept confidential.
- 6. This information is treated as confidential by the Joint Applicants, and is not widely disseminated even among the Joint Applicants' employees. Only personnel with a business reason to use this confidential information are permitted to view it.
- 7. If the Commission disagrees with the Joint Applicants that this information is exempt from disclosure as confidential commercial information, however, it must hold an evidentiary hearing to protect the due process rights of the Joint Applicants and supply the Commission with a complete record to enable it to reach a decision with regard to this matter.
- 8. Applicants do not object to disclosure of the confidential information, pursuant to a protective agreement, to intervenors with a legitimate interest in reviewing the confidential information for the purpose of commenting on the Joint Application.

WHEREFORE, Navitas KY NG, LLC and Gasco Distribution Systems, Inc. respectfully request that the Commission grant confidential protection for the information at issue, or schedule an evidentiary hearing on all factual issues while maintaining the confidentiality of the

information pending the outcome of the hearing.

Dated this the 24th day of January, 2011.

Respectfully Submitted,

Klint W. Alexander (#20420)

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- and -

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Counsel for Navitas Assets, L.L.C.

Fred A. Steele w/ permission by Kut

- and -

Fred Steele, President

Gasco Distribution Systems, Inc.

4445 East Pike

Zanesville, Ohio 43701

Gasco Distribution Systems, Inc.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the <u>24th</u> day of January, 2011, a true and correct copy of the foregoing instrument was deposited in the United States Mail, with postage prepaid, and addressed to the following:

Helen Helton, Esq.
Anita Mitchell, Esq.
Division of General Counsel
Public Service Commission
Commonwealth of Kentucky
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40601

Klint Alexander

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